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ABSTRACT

A pilot project was conducted in Bangor, Maine, to develop an entrepreneurship course and test it with secondary and postsecondary students. Following development of a plan and formation of an advisory committee composed of local entrepreneurs, bankers, representatives of economic development agencies, and legislators, a director was hired to coordinate the project, teach the classes, develop relationships with related agencies, and generate funding. A total of 90 secondary and postsecondary students participated in the once-weekly courses. Evaluation of the pilot course showed that entrepreneurial characteristics exist among a broad and diverse student body of all ages; that these characteristics can best be identified among vocational students who have strong career interests; that the students were satisfied with the course, that the use of outside speakers was effective; that cooperation with the economic development community was valuable; that additional funding was needed; and that the project definitely should be continued. Recommendations for changes included the development of more and better text materials and expansion of the program to twice a week. (KC)

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MAINE'S

EXEMPLARY PROJECT

IN

ENTREPRENEURSHIP EDUCATION

An Experimental Pilot Program
In Vocational Education
Conducted At Two Sites On Two Levels
For
The Bureau Of Vocational Education
Department Of Education And Cultural Services
Augusta, Maine

By

Loring S. Kydd

And

Warren D. Southworth

June 20, 1984

CE039196

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SUMMARY OF THE TERMINAL REPORT ON MAINE'S EXEMPLARY PROJECT IN ENTREPRENEURSHIP EDUCATION

In April of 1983, then Associate commissioner for Vocational Education, Dr. Elwood A. Padham, retained two VTI faculty members (Loring S. Kydd and Warren D. Southworth) as consultants to research curriculum and materials/methods for Fall '83 delivery of pilot programs in entrepreneurship education on two levels, secondary and post-secondary, at two test sites, Region #4, Southern Penobscot Vocational High School, and Eastern Maine Vocational Technical Institute, both located in Bangor, Maine.

Summer research resulted in specific recommendations to Dr. Padham, to Elwood Littlefield, Region #4 Director, and to Alan Campbell, Director, EMVTI. Immediate discussion and enthusiasm from the directors of the two test sites for the concept of using the entrepreneurship project entrepreneurially precipitated a strategy meeting August 10, 1983 at KVVTI where the three administrators and the two consultants considered possible options not only for immediate delivery of educational services, but also for building a total system for uniting educational interests with those of the economic community via this project.

The resulting comprehensive, integrated plan incorporated the following elements:

1. Decisions concerning a specific and complete plan of action for development and implementation of entrepreneurship education pilot programs via a steering committee;

2. Formation of an Advisory Committee for Entrepreneurship Education, composed of local entrepreneurs, bankers, representatives of economic development agencies and legislators;

3. Advertising for, selecting, and indoctrinating a coordinator to a.) deliver pilot educational instruction in entrepreneurship education on two levels at two sites, b.) establish and maintain relationships with various national, state and local agencies committed to economic development, SBA, FHA, Bangor Chamber of Commerce, for example, c.) generate funding among these agencies to support entrepreneurship activities in continuing fashion, d.) represent vocational education in general, EMVTI and Region #4 in particular;

4. Delivery of educational services;

5. Interaction with various economic development agencies;

6. Promotion of concept, institutions, education, unity of education and economic development to the media and to the general public;

7. Continuing scrutiny and evaluation of services and project by consultants;

8. Program assessment statement and construction of system/State model by consultants;

9. Termination of contracted services.

During October of 1983 the Steering Committee, comprised of the five people already identified, advertised for, screened applicants, and ultimately selected Thomas Amnotte to coordinate entrepreneurship activities for the pilot project.

The pilot programs, involving 90 students, have now been completed. The evaluations have been administered and assessments show

a. the appearance of entrepreneurial characteristics among a broad and diverse student body, of all ages, who eagerly accept the challenges of entrepreneurship education;

b. these characteristics can be recognized, identified, and developed in a student population perhaps best able to profit from the educational experience: high school and post-secondary students who possess strong career interests and are already enrolled in vocational studies;

c. the need for a more complete set of text materials (incorporating reinforcement of business concepts through sample problems and cases);

d. the effectiveness of continued use of outside speakers;

e. slight changes in the delivery of instruction on the high school level (two meetings per week rather than one) if possible;

f. solid and positive support from the students who were enrolled in the course(s);

g. the value of cooperation with the economic development community;

h. the need for further spadework in establishing self-perpetuating funds for this program, through local banks, businesses and other community/development-minded agencies;

i. a definite need for continuation, expansion of the program as it currently functions and as it offers definite possibilities for promoting vocational education by means of what everyone involved with this project modestly considers a genuine success story; and that

j. cooperation between two levels of vocational education (secondary and post-secondary) is alive and well in Bangor, Maine.

BIG CHIT MUST TOW OO

INTRODUCTION

Perhaps the most logical method of introducing this report is to offer, for the reader's exploration, the actual request to the Bureau of Vocational Education for initial funding for the project. Granted, the Bureau had, by this time, already invested in the concept and in the groundwork for it; however, the procedural formality of implementation required a specific written plan.

In keeping, then, with what we consider our dual responsibility of providing both narrative and model to those who might choose to follow, in some (or any) way, our experiment with Maine's Exemplary Project in entrepreneurship education, we include the action plan which won approval and launched our project as the vehicle to launch this report as well.

AN ACTION PLAN

FOR

MAINE'S EXEMPLARY PROJECT

IN

ENTREPRENEURSHIP EDUCATION

C O N T E N T S

A. Need For The Program.....

B. Nature Of The Program.....

C. Program Objectives.....

D. Nature Of Evaluation To Be Made.....

E. Description Of Population Group To Be Served.....

F. Nature & Extent Of Coordination With Other Programs & Agencies.....

G. Time Schedule & Plan For Implementation.....

H. Duration Of The Program.....

I. Manner & Extent To Which Information About The Program Will Be Disseminated.....

J. Facilities &/Or Equipment To Be Used.....

K. Assurance Of Maintenance Of Effort.....

L. Willingness To Involve Staff In Related Upgrading Programs.

M. Evidence Of Manpower Need - Job Opportunity.....

N. Evidence Of Educational Need - Student Interest.....

O. A Policy Statement Which Describes The Applicant's Intent To Comply With Various Federal & State Laws Particularly Title IX & PL 94-482.....

P. Provide Assurance That Students With Limited English Speaking Ability Are Provided Appropriate Services To Participate In The Program.....

Q. Assurance That Students Below Grade Eleven Have Received A Waiver From The Commissioner Of Education To Participate In Vocational Education Programs.....

R. Assurance That Provision Has Been Made For The Participation Of Students Enrolled In Nonprofit Private Schools In The Area To Be Served Whose Education Needs Are Of The Type Which The Program Involved Is To Meet.....

S. Assurance That Federal Funds Made To Recipients Will Not Be Commingled With State Or Local Funds.....

T. Assurance That Federal Funds Made To Recipients Do Not Supplant An Existing State Or Local Budgetary Obligation..

U. Assurance That Services Identified In This Proposal Are Made Available For Regional Participation.....

Appendix.....

A. NEED FOR THE PROGRAM

Statistical data, research in the social sciences, and common sense indicate a growing need to provide Maine students opportunities in entrepreneurship education.

The United States of America, and logically, therefore, the State of Maine, face critical times and issues in terms of economic development. Even the most superficial analysis of this picture demonstrates the fact that our state, indeed, our nation, relies heavily upon the American Dream of personal success in business.

* The United States Small Business Administration (SBA) classifies 97% of American businesses as "small."

* The United States Department of Commerce says that one out of eight Americans is self-employed.

* Small businesses produce 44% of the Gross National Product.

However,

small business failures are common; 400,000 businesses are dissolved each year;

the SBA indicates that half of all small businesses fail within the first two years of operation; and

with 56% of all employees in this country working for small businesses, every segment of the economy feels the impact of their success or failure.

Therefore, recognizing the largest single cause of business failure to be poor management, vocational education, as part of a program of preparing students for employment, must accept the challenge—and the responsibility—of providing students with entrepreneurship education.

Recent research in the social sciences shows that nearly all of those graduates from vocational programs who lost jobs early in their employment careers fail not because they can't perform their technological duties satisfactorily. Nearly 90% of those who lose their jobs do so because they lack specific social skills: inability to get along with others, inattention to and/or lack of appreciation for the details of someone's business operation. In that event, those students who possess entrepreneurship training, even though they choose not to pursue some business venture of their own, will ultimately become better potential employees for having acquired an appreciation for the intrinsic difficulties and problems which confront all small business operators.

The last, though certainly not the least significant, argument for offering opportunities in entrepreneurship education rests, clearly and simply, upon common sense.

Economic development interests in this state have long sought to attract big business to predominantly rural Maine. Granted, Maine's quiet reputation for having raised a willing work force imbued with an admirable work ethic has traditionally spoken well for her, but logistics and geography have always frustrated extensive industrial development in the pine woods.

Under these circumstances, rather than expend energies and talent in the nonproductive "pursuit of smokestacks," why not instead attempt to generate an awareness of an interest in the possbilities of independent business ventures among the most potentially important and receptive segment of our economic population: those folks possessing up-to-date saleable skills—recent graduates of vocational education programs. Addressing the needs for economic development in this manner appears more in keeping with the realistic approach to problem solving so representative of Yankee pragmatism.

B. NATURE OF THE PROGRAM

In late April of 1983, having for some time been challenged by, as well as committed to, the concept of providing entrepreneurship training for Maine students, Associate Commissioner for Vocational Education, Dr. Elwood A. Padham, retained two Vocational Technical Institute faculty members (Loring S. Kydd and Warren D. Southworth) as consultants to research curriculum and materials for Fall, '83 delivery of pilot programs in entrepreneurship education on two levels, secondary and post-secondary, at two test sites, Region #4, Southern Penobscot Regional Vocational High School, and Eastern Maine Vocational Technical Institute, both located in Bangor, Maine.

Summer research, correspondence and study, which included in-residence experience at the National Center for Research in Vocational Education at Ohio State University, resulted in specific recommendations re curriculum and delivery methods to Dr. Padham, to Elwood Littlefield, Region #4 Director, and to Alan Campbell, Director, EMVTI. Immediate discussion and enthusiasm from the directors

of the two test sites for the idea of using the entrepreneurship project entrepreneurially precipitated a strategy meeting August 10, 1983 at KVVTI where the three administrators and the two consultants discussed possible options not only for immediate delivery of educational services, but also for building a total system for uniting educational interests with those of the economic development community via this project. Because of the obvious potential emanating from the viscera of entrepreneurship education, the group decided the consultants would construct a chronologically-based action plan for the purpose of determining this project's dimensions.

Given the significance of the concept of entrepreneurship education to Maine Vocational Education, several options for implementation exist. The obvious approach involves immediate pilot course offerings at the two test sites previously mentioned. But if vocational education expects to assume a role of leadership within a more global framework of educational opportunity, specifically with an eye to the impact upon this state's economic development, why not consider a comprehensive, integrated and expanded plan for this project. Such a plan would incorporate the following elements.

1. Decisions re a specific and complete plan of action for development and implementation of entrepreneurship education pilot programs.

2. Formation of Advisory Committee for Entrepreneurship education.

3. Advertising for, selecting, and indoctrinating a coordinator to a.) deliver pilot educational instruction in entrepreneurship education on two levels at two sites; b.) establish and maintain relationships with various national, state and local agencies committed to economic development, SBA, FHA, Bangor Chamber of Commerce, for example; c.) generate funding among these agencies to support entrepreneurship activities in continuing fashion; d.) represent vocational education in general, EMVTI and Region #4 in particular.

4. Delivery of educational services.

5. Interaction with various agencies.

6. Promotion of concept, institutions, education, unity of education and economic development.

7. Continuing scrutiny and evaluation of services and project by consultants.

8. Program assessment statement and construction of system/State model by consultants.

9. Termination of contracted services.

C. PROGRAM OBJECTIVES

1. Educational objectives

After completing the educational experiences offered at EMVTI and Southern Penobscot Vocational School, Region #4, students will be able to

a. Understand the nature of small business

b. Determine potential as an entrepreneur

c. Develop the business plan

d. Obtain technical assistance

e. Choose the type of ownership

f. Plan marketing strategy

g. Locate a business

h. Finance a business

i. Deal with the legal issues

j. Comply with government regulations

k. Manage a business

l. Manage human resources

m. Promote a business

n. Manage sales efforts

o. Keep business records

p. Manage finances

q. Manage customer credit and collections

r. Protect a business

2. Additional objectives

The program proposes to promote and assist the implementation of entrepreneurship education courses at other secondary vocational schools as well as post-secondary institutions, particularly the VTI system. In addition, the program proposes to increase the contact and coordination between the business community, various economic development-related agencies, the VTIs and the secondary vocational schools. In addition, funding for this program, in the future, should be generated from other than state sources.

D. NATURE OF EVALUATION TO BE MADE

The educational delivery to the students shall be evaluated by conventional educational testing methods and student evaluations of the coordinator and the courses. The additional objectives listed will be quantitatively and qualitatively evaluated by the Steering Committee and/or consultants. In addition, the evaluative methods employed to determine the success of the additional objectives will be constructed by the Steering Committee.

E. DESCRIPTION OF POPULATION GROUP TO BE SERVED

The regular and Continuing Education students of the Southern Penobscot Vocational School (Region #4), and Eastern Maine Vocational-Technical Institute in Bangor, Maine.

F. NATURE AND EXTENT OF COORDINATION WITH OTHER PROGRAMS AND AGENCIES

One of the major objectives of the project addresses a significant current issue: combining the interests of government, business and industry, and education. The responsibilities of the coordinator include establishing and maintaining these contacts.

G. TIME SCHEDULE AND PLAN FOR IMPLEMENTATION

September	6	Formation of Steering Committee for entrepreneurship
	10	Advertise for coordinator position
	12	Begin promoting the CED entrepreneurship course
	15	Formation of Advisory Committee
	30	Hire Coordinator
October	10	Promote the entrepreneurship course at Region #4 and identify potential class
	17	Begin CED entrepreneurship course at EMVTI
	31	Begin entrepreneurship course at Region #4

November		Establish and maintain relationships with various national, state, and local agencies committed to economic development.
the coordinator shall continuously		Represent vocational education in general and EMVTI and Region #4 in particular.
		Generate funding among agencies to support entrepreneurship.
	10	Present workshop on entrepreneurship to VTI personnel.
	21	Begin promotion of daytime entrepreneurship course at EMVTI for spring semester.
December		
January	3	Begin entrepreneurship course at EMVTI for daytime students.
February		
March		
April		
May	12	Evaluation of completed course by EMVTI.
June	20	Program assessment report due.
	31	Termination of contracted services.

H. DURATION OF THE PROGRAM

September, 1983 - June 30, 1984

and

continuation of program services pending availability of funding. It is proposed that funding be for a three-year period at a declining level.

I. MANNER AND EXTENT TO WHICH INFORMATION ABOUT THE PROGRAM WILL BE DISSEMINATED

One of the project coordinator's responsibilities is generating public relations activities so that person will be partially accountable. Statewide and system-wide dissemination of information will emanate from the Associate Commissioner's office and contacts with the larger or broader scene will occur via communications with the National Center for research in Vocational education.

J. FACILITIES AND/OR EQUIPMENT TO BE USED

Southern Penobscot Vocational School, Region #4
Elwood Littlefield, Director

Eastern Maine Vocational-Technical Institute
Alan R. Campbell, Director

Both sites are located in Bangor, Maine.

K. ASSURANCE OF MAINTENANCE OF EFFORT

The program will be encouraged to seek funding from further Federal, State and local resources if the experiment succeeds.

L. WILLINGNESS TO INVOLVE STAFF IN RELATED UPGRADING PROGRAMS

The coordinator and school administration will ensure that individual educational plans are followed and that the curriculum is modified to fit the needs of the students.

M. EVIDENCE OF MANPOWER NEED - JOB OPPORTUNITY

The demand is not limited to statistics, only the imagination and farsight of the individual.

N. EVIDENCE OF EDUCATIONAL NEED - STUDENT INTEREST

Since the research demonstrates that of all the education studied, only one positively contributes to the creation of entrepreneurs: vocational/technical education (Baylor University; March 1, 1983), and since the whole concept of vocational education is so closely linked to the prospects of and for economic development, the time for entrepreneurship education in Maine appears to have arrived.

In the past, education and business have failed to recognize their common concerns. Today, both groups must explore ways to promote entrepreneurship as a desirable, valid and realizable career alternative and as a realistic response to growing concern for the need to make more small businesses succeed.

We believe the structured plan offered herein prescribes exactly those possibilities for shared commitment and for success.

O. A POLICY STATEMENT WHICH DESCRIBES THE APPLICANTS INTENT TO COMPLY WITH VARIOUS FEDERAL AND STATE LAWS PARTICULARLY TITLE IX AND PL 94-482

All laws pursuant to title IX and PL 94-482 are compiled with.

P. PROVIDE ASSURANCE THAT STUDENTS WITH LIMITED ENGLISH SPEAKING ABILITY ARE PROVIDED APPROPRIATE SERVICES TO PARTICIPATE IN THE PROGRAM

No student will be denied access to the program or be hindered from participation because they cannot speak English.

Q. ASSURANCE THAT STUDENTS BELOW GRADE ELEVEN HAVE RECEIVED A WAIVER FROM THE COMMISSIONER OF EDUCATION TO PARTICIPATE IN VOCATIONAL EDUCATION PROGRAMS

This will be done on an individual basis as required.

R. ASSURANCE THAT PROVISION HAS BEEN MADE FOR THE PARTICIPATION OF STUDENTS ENROLLED IN NONPROFIT PRIVATE SCHOOLS IN THE AREA TO BE SERVED WHOSE EDUCATION NEEDS ARE OF THE TYPE WHICH THE PROGRAM INVOLVED IS TO MEET

All students are eligible to participate.

S. ASSURANCE THAT FEDERAL FUNDS MADE TO RECIPIENTS WILL NOT BE COMMINGLED WITH STATE OR LOCAL FUNDS

No federal funds will be provided to students.

T. ASSURANCE THAT FEDERAL FUNDS MADE TO RECIPIENTS DO NOT SUPPLANT AN EXISTING STATE OR LOCAL BUDGETARY OBLIGATION

No other such program exists.

U. ASSURANCE THAT SERVICES IDENTIFIED IN THIS PROPOSAL ARE MADE AVAILABLE FOR REGIONAL PARTICIPATION

The service of both participating schools is required, so we expect regional participation in all aspects.

SOUTHERN PENOBSCOT VOCATIONAL SCHOOL, REGION #4
AND
EASTERN MAINE VOCATIONAL-TECHNICAL INSTITUTE
ENTREPRENEURSHIP PROJECT
PROJECTED BUDGET SEPT. 1, 1983-JUNE 30, 1984

	Personal Services	All Other	Total
Entrepreneurship			
Instructor/Coordinators			
Salary & Fringe Benefits	$24,100.00		
Consulting Fees For Evaluation & Curriculum Including Fringe Benefits	3,000.00		
Travel Expenses		$1,000.00	
Library & Bibliography Material		500.00	
Photocopying & Printing		660.00	
Advertising & Promotions		600.00	
Sta-Cap		140.00	
TOTAL PROJECTED	$27,100.00	$2,900.00	$30,000.

DISCUSSION

THE MODEL

As we stated previously, part of what we consider to be our charge in this report rests with providing a working model for other geographical locations wishing to initiate educational experiences for vocational students on either the secondary level or the post-secondary level, preferably both, who wish to explore alternative career opportunities. In that light, may we identify what we believe to be the critical elements in a complex, yet fascinating, answer to one of Maine's—and the Nation's—current problems: economic development.

* Enthusiasm for the concept of entrepreneurship as a personal career opportunity: Basic to the success of any creative undertaking is the willingness to blow life into an idea. Someone, or a group of someones, must demonstrate belief in, and genuine commitment to, the idea that a definite segment of our student population can, and will, work for themselves, rather than for somebody else. Maine was fortunate to have experienced that advocate in former Associate Commissioner for Vocational Education, Dr. Elwood A. Padham, who moved Maine's Exemplary Project from the conceptual framework to the actual. His belief that entrepreneurship education in vocational education would and will significantly contribute to a stronger economic picture for Maine gave rise to a curriculum research project during the summer of 1983. The two consultants he hired (the writers of this report) developed equal enthusiasm for the concept.

* Preparation for subsequent conflict: The above trio, joined by the two chief administrators at the two test sites, agreed that certain conflicts would occur in that the project had

developed and grown "from the top down." Acceptance and implementation of change, and especially surrounding new ideas, can nearly always be guaranteed without fuss when the impetus occurs at the grass roots, or "from the bottom up," and the literature of educational administration clearly documents this phenomenom. The steering committee, comprised of the five individuals thus far identified (joined later by the coordinator) understood the potential problems in implementation and Dr. Padham charged Directors Campbell and Littlefield with the responsibility of managing those conflicts at their respective institutions.

* Clear program objectives: The original educational plan, as devised by Dr. Padham, called for the two consultants to develop curriculum and delivery method(s) for entrepreneurship education at two test sites on two levels of instruction. The institutions selected, Southern Penobscot Vocational High School, Region #4, and Eastern Maine Vocational Technical Institute offered the dual requisites of secondary and post-secondary levels of instruction and geographical proximity (both located in Bangor, Maine ½ mile apart). Instruction would begin in Fall, 1983.

These objectives changed somewhat after a summer of study and two conferences of the five principals. The original intent to deliver educational services cooperatively on the two levels of education at the two test sites remained. However, after having heard the recommendations concerning specific curriculum and delivery methods, the two directors argued for adopting an expanded project, one which would involve not only educational cooperation between two levels of vocational education, but also one which would generate a total system for uniting the interests of vocational education with those of the economic development community.

THE APPLICATION

The Steering committee advertised for a coordinator of Entrepreneurship Education in the Bangor Daily News for a week in late September (See Appendix A). Eight applicants responded, and from them the Committee selected three to interview. The interviewers unanimously decided to offer the job to Thomas Amnotte, a candidate with an MPS in Agricultural and Resource Economics, recent teaching certification in secondary education, and four years' experience managing a retail sporting goods outlet.

As soon as Thom accepted the job, in October of 1983, we initiated an intensive indoctrination program. Thom's extensive background in economics and in the business world, his personality and intelligence facilitated this process incredibly; he easily joined the Steering Committee. His major work-load lay in assimilating the curriculum package which we had selected from the summer's research. After intensive study, we had decided that the most applicable materials were those published by the National Center for Research in Vocational Education, at the Ohio State University. Entitled PACE, an acronym for Program to Acquire Competence in Entrepreneurship, this educationally-complete text package exists on three levels of difficulty, and we had decided to use Level I at Region #4 and Level III at Eastern Maine Tech.

In late October Thom began teaching two Entrepreneurship Courses at Southern Penobscot Vocational High School, Region #4. His fifty students had been selected by Director Woody Littlefield and his instructional staff, according to declared interests in or intent toward or predisposition toward or family history of independent business ventures. These courses met from 8:30 a.m. to 11:10 a.m. and 11:30 a.m. to 1:45 p.m. each Thursday and represented sixteen vocational career paths. Thirty of these students completed the 26-week course, the philosophy of participation being one of voluntarism.

In January of 1984 Thom began instruction in entrepreneurship education at Eastern Maine Tech two nights a week for the 15-week Spring Semester of 1984. One of these courses was offered to thirty regular day students from seven technologies who had decided, based upon Thom's presentations to nearly all EMVTI technologies (except for Medical Laboratory Technology, Practical Nursing and Medical Radiography) and their own inclinations to enroll in the course. The other was offered to twenty-five students from the general public through the Continuing Education Division of the Institute after radio and newspaper advertising. Both courses met during the evening.

After much discussion surrounding the status of the two courses offered at EMVTI, the academic dean decided that the course for regular day students would be offered on a pass-fail basis and the CED course would recognize those students who finished it with a certificate of completion.

Of these two courses offered at EMVTI, twenty-five CED students completed the entrepreneurship course. Of the thirty regularly-enrolled day students, however, only eight completed the course. Since these students had no financial investment in this venture and since the course was not a required one for any program of study, once the time commitment to the entrepreneurship course interfered with regular curriculum requirements, student priorities quickly showed.

Additionally, Thom carried the banner of entrepreneurship and vocational education to the general arena of economic development, participating in various workshops, counseling sessions, speaking engagements, contact visits and other public relations work.

The frantic activity generated by first-year operation of the program eclipsed the formulation of an advisory committee; however, Thom did secure from each student in the three courses an agreement to provide information vital to subsequent follow-up studies of the effect(s), both short and long range, of our efforts in entrepreneurship education.

Resources

AGENCIES & INDIVIDUALS CONTACTED & USED

Bangor Chamber of Commerce, Scotty Stowell, gave speaker suggestions, local market info., contacts with local business.

FAME, Bob Hird & Sharon Lunner, financing & loans for small business, State aid to business; Mr. Hird set up a seminar on FAME & finance at EMVTI.

SBA, Augusta, Frank Bean & Tom McGillicuddy, provided Thomas Amnotte printed and audio-visual material, provided recommendation that Thomas Amnotte become a certified ACE SBA counselor; this agency is aware of the need to entrepreneurially finance Entrepreneurship in the future.

EMDC, Mike Aube and Ken Hallgran provided references to local business people as possible guest speakers; access to current business finance "rules of thumb"; and offer to "job shadow" with Ken this summer in business counselling. Ken also guest spoke at the regional high school.

Education Committee, Chamber of Commerce, provided lists of potential guest speakers and interested business leaders.

Bangor Chapter, SCORE/ACE (SBA) provided direct counselling experience, access to literature, committee meetings and conferences; also provided contact with business leaders and financial managers.

USM, New Enterprise Institute, Liz Stout, provided access to materials and discounts on their top-notch publication Business Planning Guide.

BCC Law Program, Howard Foley, provided reference materials and referrals to other individuals regarding entrepreneurship; Howard's office at one time housed the New Enterprise Institute. Howard also provided answers to business law questions.

Maine Council on Economic Education, UMO; Bob Mitchell worked to organize the Career Day for high school juniors at the Civic Center.

NMVTI, Gary Soucy exchanged text, curriculum, and in-class materials regarding entrepreneurship training. Gary provided me with suggested texts/workbooks and flow charts for his entrepreneurship course.

Don McCloud, CPA, provided a copy of the computer program VISICALC, and provided counselling to CED students of entrepreneurship who needed specific accounting questions answered.

City of Bangor, Code Enforcement (zoning); Nancy SanAntonio provided zoning maps and a complete copy of the City's code and regulations handbook, Nancy also spoke to the high school classes and was one of the most "liked" speakers, by class vote.

City of Bangor, City Clerk's Office, Dept. of Taxation, Economic Development Office; all provided, at various times, insight and answers to business questions, especially Mrs. Paradis, City Clerk.

IDCM (Industrial Dev. Committee of ME), Gary Crocker (Pres.), attended 2-day annual meeting in Rockland; joined IDCM, used member list as reference source for speakers and information.

FmHA, UMO and Bangor offices, Jim Perry and Harold Henderson, provided info. on government programs, with rural emphasis, designed to aid small businesses.

Blake, Barrows, and Brown Insurance; Bob Daniels provided "insider's" knowledge of current small business insurance problems and solutions.

Bangor Daily News, Allan Lobozzo, business writer, informed of existence of Entrepreneurship Program and given six student business plans as examples of course emphasis.

Bruce Chalmers, Governor's Council on Small Business (Bridgton, ME), provided Council newsletter and invitation to upcoming conference (in Sept.).

Nat. Fed. of Ind. Bus., provided monthly newsletter and mailings on free or low cost news and instructional material.

Venture magazine provided free copies.

AT&T, provided free telephone directories for use in advertising and marketing sections.

Cole Tire Co.; Dick Cole provided references for speakers

H.D. Smith Equip.; Harold Smith provided references for speakers and answers to specific business questions.

IRS, Augusta, Lucy Blanchette and Bob Castinguay, provided materials, forms, and answers to specific questions. Additionally, Lucy provided 5-hour Tax Workshop at EMVTI.

Bangor High Night School; Dennis Lombardi requested two separate 2-hour talks on entrepreneurship, salesmanship, and marketing (provided).

Attorney General's office, Augusta; Jim McKenna provided material on business law, consumer law, and anti-trust law.

Maine State Data Center; Jean Martin provided demographic and economic census data to use in marketing.

Maine State Dept. of Labor provided monthly newsletter on economic trends and census data, and on recent legal changes and their economic impact.

Charles Spencer, attorney, provided references to guest speakers.

Jerry Goldsmith, attorney, provided references to guest speakers.

The Bus; Joe McNeil provided advertising information.

Maine Bureau of Employment Security; Tim Jameson provided info. on Maine unemployment compensation laws.

SPEAKERS USED

AT HIGH SCHOOL

-Ed Youngblood, Commercial Loans, Bangor Savings Bank, spoke on business plans and loan applications.

-Ken Halgren, EMDC, spoke on business plans and planning, management, recordkeeping.

-Nancy SanAntonio, City of Bangor Code Enforcement Office, spoke on zoning regulations and building codes as they apply to businesses.

-Bob Treworgy, attorney, spoke on the choices to be made regarding the legal structure of a business.

-Jim Perry, FmHA, spoke on government programs to aid small businesses, with emphasis on rural areas and the FmHA.

AT EMVTI

-Gary Thorne, attorney, spoke on the legal structure of the firm.

-Ray Bradford, attorney, spoke on the legal structure of the firm and its impact on taxes, inheritance, and divorce proceedings.

-Morris Pilot, attorney, spoke on the legal structure of the firm.

-Bruce Reddy, CPA, spoke on the tax factors important to all small businesses, including depreciation, deductions, and investment credit.

-Joe LaChance, Northeast Bank, spoke on business loan applications and business plan construction, with bankers' "rules of thumb".

-Dennis Haggerty, Maine National Bank, spoke on business loans and business plan construction.

-Bob Hird, FAME, spoke on Maine State loan programs aimed at helping small business.

-Ken Halgren,EMDC, gave basic workshop on small business start-up.

Reciprocity

Entrepreneurship use by local community interests

- As a member of the SBA-sponsored SCORE/ACE counselling group at the Bangor Chamber of Commerce, Thom's knowledge and skills at business start-up and management have been applicable to over 40 small business counselling cases since the start of the entrepreneurship program.

- Thom has given two 2-hour introductory seminars at Bangor High School, through their adult education program in small business start-up.

- Thom has sponsored and promoted three separate community-oriented workshops here at EMVTI, all of which were advertised to and open to the entire community: an IRS Small Business Tax Workshop, and EMDC introduction to small business planning and pro formats, and a FAME workshop on Maine's newest small business funding agency.

- Thom used his contacts through the Bangor Chamber of Commerce Education Committee to help schedule speakers for the high school Career Day held at the Civic Center in April.

- One CED student used the material presented in the Entrepreneurship course to write a business plan, obtain financing, and immediately start a franchised business; he estimates he will make $[illegible],000 before taxes this year.

- A total of approximately 90 students, at all levels, were exposed to the concept of entrepreneurship. Examination of the course evaluation forms reveals that many students believe that their original

(pre-entrepreneurship course) businesses would have failed and their invested capital would have been lost without the course in entrepreneurship education.

- As a volunteer employee of EMDC this summer, Thom hopes his counselling experience and business knowledge can be utilized by the community, gratis, for business expansion or start-up.

Self-Funding Prospects

- After the course and its reputation (favorable, hopefully) have been established, corporate funding may be available. Thom is working on developing contacts to fund such projects at several local banks, including Northeast, Maine National, and Bangor Savings Bank. Also, businesses such as Coles' Express, H.D. Smith, and other community-minded firms associated with the Chamber of Commerce, may provide some funding eventually, once the course and the contacts "mature."

- SBA assisted funding: none appear forthcoming directly, but one of the educational arms of SBA may be useful. Through Frank Bean at SBA/Augusta, Thom is pursuing the possibility of support from Warren Purdy and Jay Lacke of the New Enterprise Institute (USM). This possibility will not bear fruit in any way until after the summer.

- FAME-assisted funding: Thom is scheduled to speak with Bob Hird of FAME to discuss possibilities of funding.

ASSESSMENT

Instrumentation

Recognizing the importance of participant evaluation to any undertaking, particulary of an educational nature, the consultants and the coordinator constructed an evaluation instrument we hoped would honestly demonstrate the strengths and the weaknesses of the classroom experience.

We include a sample evaluation form and the total results by percentage for each item. These evaluations were administered to all students during the last regular meeting.

The following statements reflect the result of analyzing the student evaluation forms completed by the entrepreneurship courses at both sites.

STUDENT EVALUATION OF ENTREPRENEURSHIP

Directions: Encircle the indicator (located at the right) which you believe, from your perspective, best answers each question.

1. What were your four major reasons for enrolling in the Entrepreneurship course?

   A. C

   B. D.

Although the respondents indicated varied reasons for enrolling in the entrepreneurship course, the most frequently listed reason by Region #4 and CED students was a desire to gain knowledge about starting and/or operating a small business. As one might suspect, the CED students listed more definitive reasons than the high school students. Many of the high school students

indicated they had enrolled in the course because of the suggestion by their vocational instructor or out of their own curiosity. Specifically, the need for information on the financial and legal aspects of small business operations received frequent responses.

	Particularly Well	Rather Well	Not Very Well	Poorly
2. Overall, how did the course fulfill the expectations of reason "A"?	66%	26%	8%	—
3. Overall, how did the course fulfill the expectations of reason "B"?	39%	48%	9%	4%
4. Overall, how did the course fulfill the expectations of reason "C"?	63%	33%	4%	—
5. Overall, how did the course fulfill the expectations of reason "D"?	52%	33%	10%	5%
6. How well do you feel the course prepared you with a practical appreciation of the basic factors to consider in starting a business?	69%	19%	12%	—
7. If you had opened a business without taking this course, how well do you feel the business would have fared?	7%	3%	45%	45%

	Always	Usually	Sometimes	Never
8. In-class instruction was presented clearly and logically.....	67%	33%	—	—
9. Class-to-class materials content continuity was maintained.....	63%	34%	3%	—
10. Preparation and presentation by the instructor was thorough.....	79%	21%	—	—
11. Course content met your expectations....	59%	29%	12%	—
12. Practical examples and uses for new information were provided.....	74%	23%	3%	—
13. The instructor attempted to take into account differences in student business interests by utilizing varied examples and cases...	71%	26%	3%	—

14. Which course topics seem particularly helpful? (Circle at least <u>four</u> and number them in order of importance):

Business Plan Construction	Profit & Loss Statements
Ratio (%) Comparisons	Cash Flow Charts
Salesmanship & Advertising	Recordkeeping
Location Choices	IRS & Tax Factors
Legal Structure of Firm	Balance Sheet
Insurance Factors	Personality Traits

The following topics are listed in the order that the students found to be the most helpful.

1. Business Plan Construction
2. Profit - Loss Statements
3. Cash - Flow Charts
4. Legal Structure Firm

The survey clearly showed that the construction of the business plan was the most helpful topic of the course.

15. From the above list, what two factors seemed least helpful?
    A.
    B.
    Why?
    The survey indicated that the least helpful topics to the students were business location choices, personality traits and insurance factors. Perhaps the amount of time devoted to these topics should be minimized in future offerings of the course.

16. The focus on constructing a business plan as the key goal to reach before starting a business was

Very Important	Important	Not Important
81%	19%	—

17. What facets of business ownership has the course specifically helped you to better understandand/or appreciate?

    The responses varied but the information provided on the financial aspects of the course received the greatest number of comments.

18. Do you feel better equipped or qualified to own your own business than before you enrolled in this course?

YES _____ NO _____

Please explain:

YES 97%

NO 3%

The accompanying responses suggest that the total business background provided by the course has increased student confidence to succeed.

19. After taking this course do you think you will eventually own you own business?

YES _____ NO _____

If NO, why?

YES 94%

NO 6%

The negative respondents indicated a lack of interest in becoming a small business owner.

20. In an attempt to improve the course, would you take a few minutes to write what aspects of the course you found most rewarding.

Many respondents stated that all topics covered were rewarding. The guest speakers and the business plan also received a large number of positive responses.

21. If you were the instructor planning for the same course next year, what would you do differently?

The over-whelming response was to change nothing. A few comments suggested that the course be lengthened.

22. To what extent do you feel that the quizzes were:

A. Well designed?

B. Reflected the material covered?

	Always	Usually	Sometimes	Never
A.	36%	64%	—	—
B.	75%	25%	—	—

Coordinator's General Analysis

My analysis of the Entrepreneurship Program, as run from November, 1983 to May, 1984 must consist of four parts: programs at SRVS, CED at EMVTI, 3-credit course at EMVTI, and the delivery of the program itself. Turning first to the last mentioned part, a major stumbling block appears to be the lack of appropriate testbook(s) and workbook(s). Especially at the high school level, reinforcement of business concepts through sample problems and cases drastically increases student motivation and understanding. A lecture format simply does not "capture" the high school student audience, nor does it appear to most effectively transmit "real world" business ideas and problems/solutions to inexperienced minds. However, workbook-style sessions also seem to be effective in reinforcing business ideas by directly applying the ideas at the time the ideas are introduced via brief lecture. Students enjoy problem-solving and enjoy using combinations of skills they have learned elsewhere; such skills include math, common sense reasoning, reading instructions, accounting concepts, and business "rules of thumb." Challenging the student to perform a simple task of problem-solving requiring a complex combination of skills seems more effective in maintaining enthusiasm and interest than eigner reading assignments (which are rarely completed), or lecture (which are rarely attended to).

The general recommendation for future delivery, then, is to use a workbook-style approach. At the high school level, a textbook should be required. One possible book is Roger Hutt's Creating a New Enterprise by Southwestern Publishing (1982). This text is business-plan-oriented, a successful and useful approach, judged by positive feedback from current student course evaluation forms. Students were taught business planning as the key concept in entrepreneurship, at all levels. Hutt's text includes workbook materials to be completed at the

conclusion of each lesson. A second text possibility is Hailes and Hubbard's Small Business Management by Delmar (1983). This text is not business-plan-oriented, but could be instructor-modified to include business plans. At the EMVTI 3-credit level and at the CED student level, a text complete with workbook is most desirable. Two possibilities here include Baumback's How to Organize and Operate a Small Business by Prentice-Hall (1979) (complete with 207 page workbook), or Briggaman's Small Business Recordkeeping by Delmar (1983). Neither includes business plan concepts but, again, such concepts can be introduced by the instructor within the conceptual framework of the tests. And last, a text by Kameroff, entitled Small Time Operator, by Bell Springs Publishers (1983), can provide excellent reference to those students requiring more information on taxes and record-keeping——more information, at least, than found in any other previously-mentioned text.

From an instructor's viewpoint, then, a more complete set of text materials than that currently being used (which is Ohio State's Program to Acquire Competence in Entrepreneurship (PACE)) is needed. The PACE program is logically constructed, business-plan-oriented, and thorough in theoretical content, but lacks adequate case studies and workbook-style problems. It is theoretical in approach and therefore generalizes much information. Students seem to desire specific "how to" examples from the local/regional community and thus do not respond enthusiastically to the PACE materials. PACE provides valuable structure and content for an entrepreneurship program but simply lacks depth and case study examples. Its continued use is recommended, but only in supplementation of one of the above mentioned texts. If I could totally re-design PACE for my own use, I would organize it into a 3-ring binder with only State of Maine information included in such areas as zoning, taxes, business law, government aid programs, etc. The 3-ring format would allow new material to be added or deleted as needed.

Transparencies would be included, especially in the areas of profit and loss statement construction, cash flows, and taxes. More work-book type exercises are needed; in-class problem solving with hands-on work is most valuable in reinforcing a concept.

I might also observe that the entrepreneurship program fits the philosophy of the CED Department of EMVTI. This department seeks to aid and improve the quality of life of the adult community at large in Eastern Maine, within which EMVTI exists. Community programs such as entrepreneurship education are the ongoing concern of the CED department, which is experienced at developing relationships with other community resources such as schools, businesses, advertising media, and government bodies. That kind of expertise proves helpful in co-ordinating efforts at providing entrepreneurship training not only at EMVTI, but also at SRVS and at the adult education level.

Coordinator's Assessment of PACE Material

A. Excellent outline and general background materials;

B. Good specific information in such non-topical areas as insurance, location, marketing, etc.;

C. Too much overlap in its 18 "separate" units; I would compress these 18 to about 12, or fewer.

D. Some units have no real meaning to the students encountered. These units would include "Managing Human Resources (employees)," "Double Entry Bookkeeping and Microcomputers," "Location" (to some extent).

E. Lacks specifics on local zoning and codes, state tax law, current IRS tax law, state business and consumer law, legal and acounting considerations when choosing legal structure, specific recordkeeping systems (especially "One Write"), local and current banking loan requirements, current SBA/FmHA/FAME/State programs to aid business;

F. PACE-provided transparencies are purile and unprofessional.

G. PACE-provided handouts are usually too general and do not provide enough "hands-on" workbook-type problem-solving.

H. PACE-provided individual and group activities are not generally specific enough to the problem at hand, nor are they possible to complete in class (usually), which makes them difficult to use in a class with no homework requirements.

Overall view: PACE has provided a very valuable jumping-off point for the design of a set of courses in entrepreneurship; without PACE the job would have been much more difficult. It provided a logical structure and format to the presentation of the material. It provided basic lesson content and educational objectives; when more current or topical information was needed, such information could then be obtained (with a great deal of work, sometimes!) and integrated into the PACE lesson.

Coordinator's Recommendations for Pre-structuring the Course:

A. High School Level

- From a student motivation and attention span point of view, I would prefer to hold the class twice a week for 1½ hours per meeting, as opposed to all day, once a week. However, the all-day, once-a-week schedule is okay if alternatives are too difficult to schedule.

- I would prefer that once students have been enrolled in the course longer than a two-week "introductory" period, they would not be allowed to simply drop the course at personal whim.

- Thursday was a good day to hold the class if it has to be a once-a-week class.

- PACE Level One materials, augmented by SBA movies, guest speakers, and my handouts, are sufficient to provide educational competency in entrepreneurship. Another year, if possible, I would like for each student to buy a copy of the paperback book Creating A New Enterprise by Roger Hutt. I feel that this text will provide students with a reference book to use in individual businesses.

- In-class educational work (as opposed to a distributive ed. program where a small school store or business may be run as a class project) seems to be the most efficient way to provide basic education in entrepreneurship, while at the same time allowing for all the differences in student self-employment interests.

B. EMVTI/CED Level

- Textbook and workbook are needed as bases for such a course and as reference material that students may keep with them. I prefer Baumbeck's How to Organize and Operate a Small Business with the accompanying workbook. An excellent additional book is Kamaroff's Small Time Operator. I also recommend that all students buy a copy of Upstart Publishing's Business Planning Guide.

Recommendations for Restructuring the Course Curriculum:

- At the high school level, the instructor needs to provide daily in-class worksheets and problem sets, both to retain student interest and to reinforce the business topic of each lesson. A hands-on textbook/workbook such as Hutt's Creating A New Enterprise can provide students with workbook materials, as well as a future reference source. This book could supplement, but not replace, the PACE materials, which would still provide the core curriculum outline.

- At the post-secondary level, Baumbeck's How to Organize and Operate A Small Business text and workbook would be most useful, for the same reasons mentioned for the high school level. Additionally, all students should purchase the Upstart Business Planning Guide, for individual reference, and not for class use.

- Guest speakers should also continue to be utilized, at the rate of 4 to 6 speakers per semester per course. Great care must be taken in selecting speakers, as a poor one wastes time, bores students, and may provide misinformation and slanted viewpoints. Fortunately, I missed the bost on only one speaker this year, and that was a case of a boring speaker, not one who was biased or misinformed. Anyone teaching Entrepreneurship should plan for 2 to 10 hours per week in scheduling guest speakers. This time includes telephone calls, letter writing, attending seminars, and personal visits.

CONCLUSIONS

Based on the results of the evaluation, the students believed the entrepreneurship course met their expectations and was a valuable learning experience.

Entrepreneurial characteristics appear among a broad and diverse student body, of all ages, who eagerly accept the challenges of entrepreneurship education.

These characteristics can be recognized, identified, and developed in a student population perhaps best able to profit from the educational experience: high school and post-secondary students who possess strong career interests and are already enrolled in vocational studies.

Cooperation with the economic development community has proved invaluable.

The program needs further spadework in establishing self-perpetuating funds, through local banks, businesses and other community/development-minded agencies.

A definite need exists for continuation/expansion of the program as it currently functions and as it offers definite possibilities for promoting vocational education by means of what everyone involved with this project modestly considers a genuine success story.

Cooperation between two levels of vocational education (secondary and post-secondary) is alive and well in Bangor, Maine.

As is the case in the delivery of educational services at all levels of the teaching learning process, materials and environment are vital elements. We were all fortunate to have experienced the best of both of these. The most critical facet of any educational system, however, rests with the teacher. In that individual lives the subject matter; with that individual rests the ultimate responsibility of service to clients; and on that individual depends the success of the venture. In these respects Maine's Exemplary Project in Entrepreneurship Education was no different from any other educational undertaking. In addition to providing instruction, however, the coordinator assumed the additional burden of explicit public relations work. We believe we were indeed furtunate to have found a Thomas Amnotte to coordinate this project.

RECOMMENDATIONS

- In the classroom, use some guest speakers who are currently involved in entrepreneurial ventures.

- Form the advisory committee as soon as possible.

- Expand communications with the various technology instructors at both Region #4 and EMVTI.

- Accord Thom's recommendations concerning text materials.

- Offer the entrepreneurship course for three credit hours to regularly-enrolled EMVTI day students on an elective basis as part of their curriculum package, for a letter grade rather than on a pass-fail basis, so as to establish student priorities and commitment to the course prior to enrollment.

- Direct more energy to the concept of a self-funding program.

- Investigate the possibilities of establishing an economic development/educational/technological "incubator" on the EMVTI campus so as to generate and establish the links between the business and the educational communities which are so necessary to our survival.

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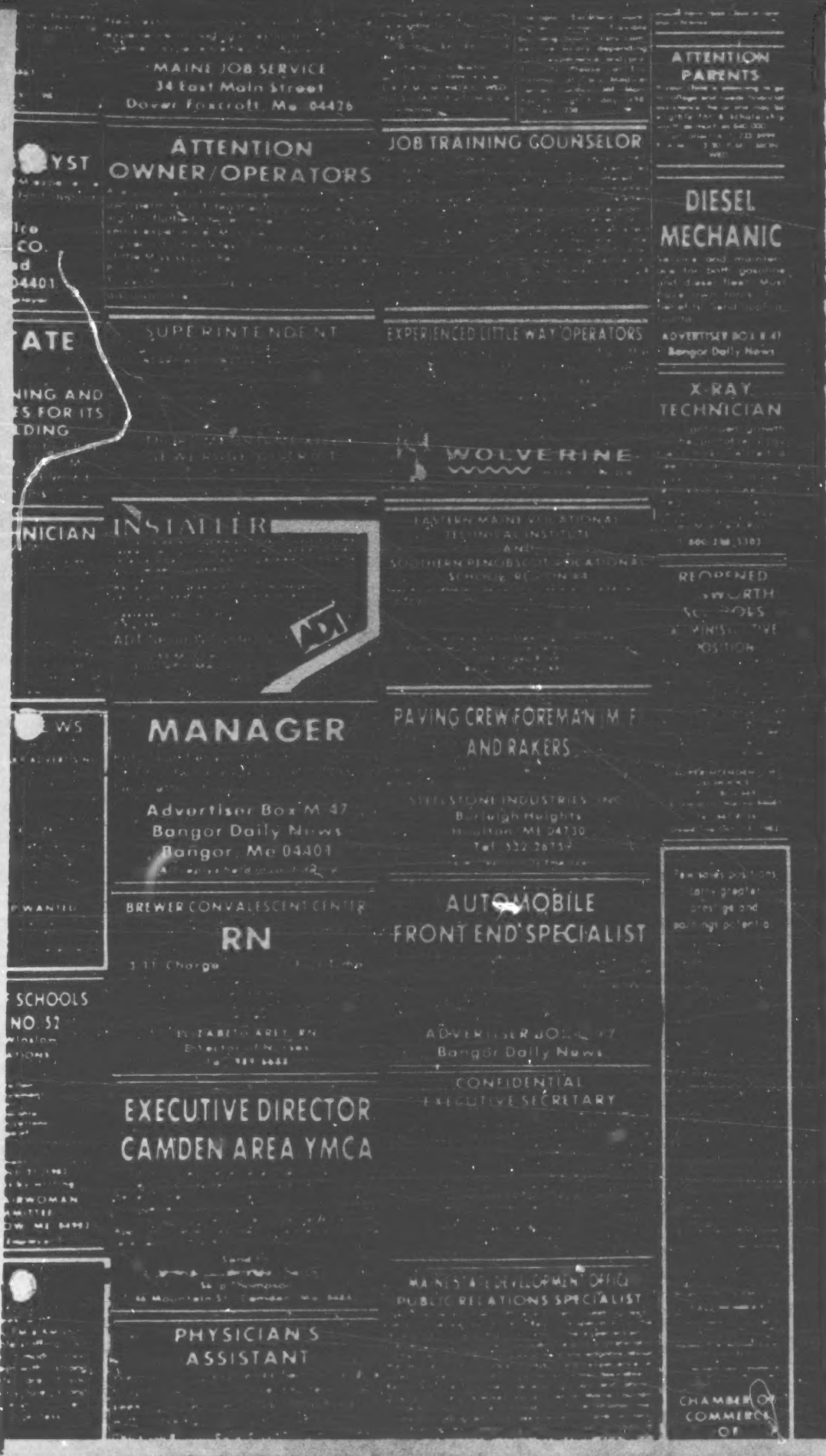
APPENDIX A



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APPENDIX B

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Bangor Daily

business

EMVTI plans program for the entrepreneur

Tailored for tradesman considering opening own business

By Allan Loiozzo
NEWS Business Writer

The tradesman, equipped with a skill, goes into business for himself. A truck, tools, a handful of prospective customers, the scenario is familiar.

Within two years, 50 percent of these entrepreneurs go out of business.

To improve the chance of success for the entrepreneur, Eastern Maine Vocational Technical Institute and the Southern Penobscot Regional Vocational Program this year are offering a course that should help students master small business skills.

The course is a pilot project to encourage the prospective businessman to form and operate his own business, according to Loring Kydd and Warren Southworth, two members of the EMVTI staff instrumental in establishing the program.

EMVTI is enjoying high job placement figures for its graduates. The majority, however, become employees, not employers, when they leave school.

The backbone of the economy is the small business person. It will boost the economy as a whole if more vocational education graduates are equipped to enter the business world, according to advocates of the program.

"The idea is to develop in young adults the belief that self employment is a career alternative," Southworth said.

Southworth and Kydd traveled to Ohio State University this summer to tap information made available by the National Center for Research in Vocational Education.

The nuts-and-bolts course will have a threefold objective, according to Kydd.

First, it will help educate students so they will have the knowledge to avoid some of the more common problems of going into business for yourself.

Second, having taken the course, some individuals may find the idea of going into business for themselves overwhelming. By weeding out the less suited individuals, the school may be doing them a favor.

Finally, students will get an appreciation for being in business for themselves. Even if they never establish their own business, that should be of benefit.

Historically, the voc eds provided skilled labor for industry and entrepreneurs went into business on a hit-or-miss basis, Kydd said.

Armed with the new course and a heightened awareness of the ins and outs of self employment, the attrition rate for small business should be reduced, said Kydd.

The new course will cover such topics as developing the business plan, dealing with legal issues and managing customer credit and collections.

PRINT MUST BE

Bangor Daily News **Business** Sat.-Sun., June 9 - 10, 1984

Program designed to improve success rate of fledgling firms

As the first heat wave of the year hits Maine this weekend, the state's forests will be magically vibrant with nature taking advantage of the growth-enhancing warmth.

Sun-hungry seedlings will push skyward, looking for an opening in the foliage overhead, struggling to become trees with a view.

Most, however, will never become full-grown, their growth cut short through natural selection.

In business, as in nature, there are no guarantees of reaching the top.

At Eastern Maine Vocational Technical Institute and the Southern Penobscot Vocational School, however, a new course has been designed to improve the odds of success for a fledgling company.

Business Weekend

By Allan Lobozzo

Titled "Entrepreneurship" and taught by Tom Amnotte, the course is a pilot program that lays the groundwork for getting into business.

In the aftermath of a double-dip recession that resulted in massive layoffs at many large companies, the small shop that employs just a handful of people is fast becoming the hero of our economy.

In an effort to breed more of these so-called micro businesses, Amnotte is attempting to give direction to potential entrepreneurs equipped with little more than raw skill and an idea.

As the final objective of the course, students are asked to put together business plans for submittal to banks and the Small Business Administration. Each student's plan includes a statement of purpose, biographical information, prior experience, budgets, marketing and projected sales.

Some of this year's papers at the high school level included a plan by Chris Jarvis of Bangor to open C.J. Welding; a proposal by Rick Call of Levant to establish R.J.'s Logging and Trucking; and a plan by Wes Rustin Jr. of Milford who showed interest in opening an autobody and paint shop.

One of Amnotte's students from EMVTI this year is already enjoying initial success selling MATCO tools. MATCO is a division of the Stanley company.

"The goal is to prove to the banker that your idea is going to fly," says Amnotte.

That's not always easy.

Whether fact or fiction, bankers have a reputation for having petrified hearts and tight fists.

Of course banks are businesses, not charities, and if a proposal is blatant bushwah it should be thrown out.

According to Amnotte, however, his experience has been that although the business proposal may have plenty of substance, the banks in general avoid a commercial loan of less than $25,000.

Not so, says Scott Johnson, a vice president at the Merrill Trust Co. in Bangor.

"We consider the whole market basket of potential loans as being very important," says Johnson.

In a rural state like Maine, where most companies are small, banks can't afford to do business any other way, he adds.

By and large, says Johnson, if a bank turns down a loan it's because the individual asking for the money isn't contributing his, or her, own funds and therefore wants to finance the operation almost entirely from debt.

Applying for a loan is a common-sense procedure, he says.

The banker sitting across from the potential client looks for a snapshot of the proposed enterprise, including answers to the following questions:

- Who are you, what is your business experience, and what is the new venture all about?
- What advice have you received from accounting or legal help?
- How will you compete with ABC Inc., an existing enterprise in the same line of work?
- What's the market for the product, and how many widgets do you have to sell to break even?
- Is the business regulated?

Both Amnotte and Johnson agree that while the written business plan is important, the one-on-one contact between banker and client is imperative.

"The banker is buying something — your idea — and he wants you to sell it to him," says Amnotte.

ACKNOWLEDGEMENTS

Those of us immediately involved with the project wish to recognize the following agencies and people:

Dr. Woody Padham for his vision, his support, and his courage;

The Bureau of Voc Ed for commitment to quality in education rather than commitment to behaving like a bureaucracy;

Alan Campbell for his creativity and his enthusiasm for ideas untried but good;

Woody Littlefield and his amazingly helpful faculty and staff at Region #4 for their unselfishness and their cooperation;

Dave Robbins and Patrice Krant for making the EMVTI CED facet go;

Dr. Cathy Ashmore of the National Center for being Cathy Ashmore.

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